

CITY OF MILFORD, KANSAS

**FINANCIAL STATEMENT
WITH INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED DECEMBER 31, 2012**

CITY OF MILFORD, KANSAS

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INDEPENDENT AUDITORS' REPORT

To the Mayor and City Council City of Milford, Kansas
Milford, Kansas 66514

We have audited the accompanying summary statement of receipts, expenditures, and unencumbered cash of the City of Milford, Kansas (City), as of and for the year ended December 31, 2012 and the related notes to the financial statement and the regulatory-required supplementary information.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the

Pottberg, Gassman & Hoffman, Chtd.

United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2012, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Regulatory-Required Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the summary statement of receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2011 Actual column presented in the individual fund schedules (Schedules 2 and 3 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2011 basic financial statement upon when we rendered an unqualified opinion on February 24, 2012. The 2011 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management, Analysis, and Standards at the following link: <http://www.da.ks.gov/ar/muniserv/>. Such 2011 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 basic financial statement. The 2011 comparative information was subjected to the auditing procedures applied in the audit of the 2011 basic financial statement or to the 2011 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2011 comparative information is fairly stated in all material respects in relation to the 2011 basic financial statement as a whole, on the basis of accounting described in Note 1.

Pottberg, Gassman & Hoffman, Chartered

Pottberg, Gassman & Hoffman, Chartered
Junction City, Kansas
March 6, 2013

CITY OF MILFORD, KANSAS
SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Fund:							
General Fund	\$ 193,108	-	\$ 425,541	\$ 435,642	\$ 183,007	\$ 14,319	\$ 197,326
Special Purpose Funds:							
Ambulance and Firefighting	51,841	-	512	-	52,353	-	52,353
Special Highway	13,440	-	13,927	3,571	23,796	-	23,796
Parks and Recreation	18,143	-	1,518	-	19,661	-	19,661
Employee Benefits	91,377	-	6,112	10,207	87,282	-	87,282
Gas Security Deposit	17,735	-	4,506	16,562	5,679	-	5,679
Sewer Reserve	3,806	-	-	10	3,796	-	3,796
Water Security Deposit	-	-	3,650	701	2,949	-	2,949
Bond and Interest Fund:							
Community Building Sinking	3,994	-	-	-	3,994	-	3,994
Capital Projects Fund:							
Capital Improvements	154,818	-	18,624	-	173,442	-	173,442
Business Funds:							
Water Utility	99,057	-	142,725	107,991	133,791	-	133,791
Sewer Utility	120,320	-	65,695	44,548	141,467	-	141,467
Gas Utility	83,211	-	72,377	62,066	93,522	-	93,522
Total Reporting Entity (Excluding Agency Fund)	\$ 850,850	\$ -	\$ 755,187	\$ 681,298	\$ 924,739	\$ 14,319	\$ 939,058
Composition of Cash:							
						Checking and Savings Certificates of Deposit	\$ 463,641
						Agency Fund per Schedule 3	475,821
						(404)	(404)
						Total Primary Government (Excluding Agency Fund)	\$ 939,058

The notes to the financial statement are an integral part of this statement.

CITY OF MILFORD, KANSAS
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

The City of Milford, Kansas is a municipal corporation governed by an elected five-member council and mayor. The City provides the following services as authorized by its charter: public works, recreation and waterworks. This financial statement presents the City of Milford, Kansas.

The accounting and reporting policies of the City relating to the financial statement and the funds included in the accompanying regulatory-required supplementary information conform to the cash basis and budget laws of the State of Kansas. The more significant accounting policies of the City are described below.

B. Regulatory Basis Fund Types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific regulations, restrictions, or limitations. Certain funds contain restricted cash because their use is limited by debt covenants, regulatory requirements, grant requirements or are held in a fiduciary or agency capacity.

The following types of funds comprise the financial activities of the City for the year of 2012:

General Fund –is the main operating fund of the City. This Fund is used to account for all financial resources not accounted for in other funds, and is therefore unrestricted.

Special Purpose Funds – are used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are restricted by law to expend for specified purposes.

Bond and Interest Fund –used to account for the accumulation of resources, including tax levies, transfers from other funds, and payment of general long-term debt.

Capital Project Funds – are used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business Funds – funds financed in whole or in part by fees charged to users of the goods or services.

Agency Funds – are used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, tax collection accounts, etc.)

CITY OF MILFORD, KANSAS

NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Regulatory Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

D. Departure from Generally Accepted Accounting Principles

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, and cash and unencumbered cash balances. Balance sheets that would have shown non-cash assets such as receivables, inventories and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of the fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings and equipment owned by the City are not presented in the financial statement. Also long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statement.

E. Budgetary Information

The City Charter establishes the fiscal year as the twelve-month period beginning January 1. The Mayor and City Council prepare a budget of estimated expenditures and receipts for the ensuing fiscal year in accordance with State of Kansas Statutes. These statutes require that an annual operating budget be adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- Preparation of the budget for the succeeding calendar year on or before August 1st.
- Publication in the local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- Adoption of the final budget on or before August 25th.

CITY OF MILFORD, KANSAS

NOTES TO FINANCIAL STATEMENT **DECEMBER 31, 2012**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Information (continued)

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, receipts are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or a contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, agency funds, and the following bond and interest fund and special purpose funds: Community Building Sinking, Gas Security Deposit, Sewer Reserve, and Water Security Deposit. Budgetary information is presented in the regulatory-required supplemental schedules.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by use of internal spending limits established by the governing body.

2. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint

CITY OF MILFORD, KANSAS

NOTES TO FINANCIAL STATEMENT **DECEMBER 31, 2012**

2. DEPOSITS AND INVESTMENTS (Continued)

custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has no designated "peak period." All deposits were legally secured at December 31, 2012.

At December 31, 2012 the carrying amount of the City's deposits, including certificates of deposit, was \$939,462 and the bank balances were \$942,739. Of the bank balances, \$607,023 were covered by federal depository insurance and \$335,716 were collateralized with securities held by the pledging financial institution's agents in the City's name. The bank balance not covered by federal depository insurance exceeded 5% of the total bank balances which results in a concentration of credit risk.

3. DEFINED BENEFIT PENSION PLAN

Plan Description. The City of Milford, Kansas contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603-3869) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for tier 2 members. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the employer contribution rates.

4. RISK MANAGEMENT

The City of Milford, Kansas is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To insure against risk of these types of losses, the City has purchased commercial insurance coverage. Settled claims resulting from these risks have not exceeded commercial coverage in the past three fiscal years.

5. LITIGATION

As of March 6, 2013, the City has no claims which are expected to have a material effect on the entity.

6. INTERFUND TRANSACTIONS

There were no operating transfers for the year ended December 31, 2012.

CITY OF MILFORD, KANSAS

NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2012

7. COMPENSATED ABSENCES

The City's policy allows employees to accumulate vacation and sick leave as follows:

Vacation Time:

<u>Years of Service</u>	<u>Accrual per Month</u>	<u>Maximum Accrual</u>
0-5 years	6.67 hours	80 hours
6-10 years	8.0 hours	96 hours
11-15 years	10.0 hours	120 hours
Over 15 years	12.0 hours	144 hours

Sick Leave:

Sick leave is accrued at a rate of 8.0 hours per month for all employees, up to a maximum of 720 hours. Sick leave accumulated is not paid to employees upon termination of employment.

The dollar amount of accrued vacation time at December 31, 2012 was \$2,177.

8. OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

9. 2011 FINANCIAL DATA

The amounts shown for 2011 in the regulatory-required supplementary information are included where practicable, only to provide a basis for comparison with 2012, and are not intended to present all information necessary for a fair presentation in accordance with accounting principles generally accepted in the United States of America. Rounding variances may also exist between amounts reported for the 2011 calendar year in the regulatory-required supplementary information and the amounts reported in the 2011 audited financial statement.

The 2011 financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management, Analysis and Standards at the following link: <http://www.da.ka.gov/ar/muniserv/>.

10. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The City of Milford has two certificates of deposit which have maturities of five and three years which is a violation of Kansas Statute K.S.A. 12-1675 *et seq* which states maturities cannot be more than two years.

CITY OF MILFORD, KANSAS

NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2012

10. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

The General Fund was over budget by \$8,752 due to the payment of over \$260,000 of expenditures for the water supply line however, this is not a violation of Kansas Statute K.S.A. 79-2935 *et seq* as the general fund is allowed to make payments for capital expenditures which do not have to be budgeted.

11. CONTINGENT LIABILITIES

As of March 6, 2013, the outstanding balance owed to customers of the gas security deposit fund was \$3,995. See also Note 13.

12. SALE OF THE NATURAL GAS SYSTEM AND PURCHASE OF WATER

On April 30, 2012 the Kansas Corporation Commission approved the sale of the City's natural gas system to Black Hills Energy. Black Hills Energy paid the City \$225,000 for the sale which was then used to build a water supply line so the City could purchase their water from Geary County Rural Water District No. 4. The water supply line was completed and the City began purchasing water in September 2012.

13. RELATED PARTIES

All members of the city council, the mayor and all employees are City customers. The only transactions were water, sewer, natural gas, and trash purchases consummated on the same terms as all other City customers.

14. SUBSEQUENT EVENTS

Since December 31, 2012, the City has paid an additional \$1,685 in gas security deposits bringing the current fund balance to \$3,995. The City expects to have all deposits remitted by April 1, 2013. In February 2013, the City received \$62,982 from the Syngenta Crop Protection, Inc. nationwide atrazine class action lawsuit. The monies received were deposited into a six-month certificate of deposit at Leonardville State Bank. Management has evaluated subsequent events through March 6, 2013, the date the financial statement was available to be issued.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF MILFORD, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over (Under)</u>
Governmental Type Fund:					
General Fund	\$ 426,890	-	426,890	435,642	8,752
Special Purpose Funds:					
Ambulance and Firefighting	9,000	-	9,000	-	(9,000)
Special Highway	11,925	-	11,925	3,571	(8,354)
Parks and Recreation	2,000	-	2,000	-	(2,000)
Employee Benefits	48,200	-	48,200	10,207	(37,993)
Capital Projects Fund:					
Capital Improvements	100,000	-	100,000	-	(100,000)
Business Funds:					
Water Utility	108,000	-	108,000	107,991	(9)
Sewer Utility	86,500	-	86,500	44,548	(41,952)
Gas Utility	181,500	-	181,500	62,066	(119,434)

CITY OF MILFORD, KANSAS

GOVERNMENTAL TYPE FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2012

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2011)

	2011		2012	Variance -
	Actual	Actual	Budget	Over (Under)
GENERAL FUND				
Cash Receipts:				
Taxes				
Ad Valorem Property Tax	\$ 28,848	62,615	63,286	(671)
Delinquent Tax	551	829	-	829
Motor Vehicle Tax	3,612	3,364	3,818	(454)
Countywide Sales Tax	45,430	48,844	50,000	(1,156)
Recreational Vehicle Tax	44	66	78	(12)
Intergovernmental Revenue				
Local Alcohol and Liquor Tax	1,861	1,518	3,542	(2,024)
Licenses and Permits				
Licenses and Permits	5,518	5,676	4,000	1,676
Utility Franchise Fees	18,011	19,723	15,000	4,723
Charges for Services				
Sanitation	41,886	42,833	44,000	(1,167)
Use of Money and Property				
Interest	8,665	6,564	12,000	(5,436)
Miscellaneous				
Sale of the Natural Gas System	-	225,000	-	225,000
Other Receipts and Donations	8,380	8,509	9,000	(491)
Capital Outlay	31	-	-	-
Total Cash Receipts	162,837	425,541	204,724	220,817
Expenditures:				
General and Administrative				
Personal Services	24,410	27,104	35,000	(7,896)
Contractual Services	29,193	36,619	30,000	6,619
Commodities	8,333	6,793	25,000	(18,207)
Capital Outlay	128,419	315,063	15,000	300,063
Fire				
Contractual Services	-	-	4,000	(4,000)
Commodities	4,143	2,056	2,500	(444)
Capital Outlay	5,999	-	7,500	(7,500)
Park				
Contractual Services	-	936	1,000	(64)
Commodities	816	1,657	3,500	(1,843)
Capital Outlay	-	-	2,000	(2,000)
Sanitation				
Contractual Services	39,608	40,758	43,000	(2,242)
Building Maintenance	-	-	2,000	(2,000)
Street Repair	669	4,656	35,000	(30,344)
Capital Outlay	-	-	221,390	(221,390)
Total	241,590	435,642	426,890	8,752
Receipts Over (Under) Expenditures	(78,753)	(10,101)		
Unencumbered Cash, January 1	271,861	193,108		
Unencumbered Cash, December 31	\$ 193,108	183,007		

CITY OF MILFORD, KANSAS

SPECIAL PURPOSE FUNDS
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2011)

	2011	2012		Variance -
				Over
	Actual	Actual	Budget	(Under)
<u>AMBULANCE AND FIREFIGHTING</u>				
Cash Receipts:				
Ad Valorem Tax	\$ 3,259	127	-	127
Delinquent Tax	38	50	-	50
Motor Vehicle Tax	571	328	431	(103)
Recreational Vehicle Tax	8	7	9	(2)
Miscellaneous Revenue	-	-	-	-
Total Cash Receipts	<u>3,876</u>	<u>512</u>	<u>440</u>	<u>72</u>
Expenditures:				
Commodities	-	-	1,500	(1,500)
Capital Outlay	-	-	7,500	(7,500)
Total Expenditures	<u>-</u>	<u>-</u>	<u>9,000</u>	<u>(9,000)</u>
Receipts Over (Under) Expenditures	3,876	512		
Unencumbered Cash, January 1	<u>47,965</u>	<u>51,841</u>		
Unencumbered Cash, December 31	<u>\$ 51,841</u>	<u>52,353</u>		
<u>SPECIAL HIGHWAY</u>				
Cash Receipts:				
State Payments and Other	\$ 12,854	13,927	11,510	2,417
Expenditures:				
Street Expense	-	3,571	11,925	(8,354)
Receipts Over (Under) Expenditures	12,854	10,356		
Unencumbered Cash, January 1	<u>586</u>	<u>13,440</u>		
Unencumbered Cash, December 31	<u>\$ 13,440</u>	<u>23,796</u>		

CITY OF MILFORD, KANSAS

SPECIAL PURPOSE FUNDS
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2012

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2011)

	<u>2011</u>	<u>2012</u>	Variance - Over (Under)
<u>PARKS AND RECREATION</u>	<u>Actual</u>	<u>Actual</u> <u>Budget</u>	<u>(Under)</u>
Cash Receipts:			
Local Alcohol and Liquor Tax	\$ 1,860	1,518 3,545	(2,027)
Expenditures:			
Park Board Expenses	-	- 2,000	(2,000)
Receipts Over (Under) Expenditures	1,860	1,518	
Unencumbered Cash, January 1	16,283	18,143	
Unencumbered Cash, December 31	<u>\$ 18,143</u>	<u>19,661</u>	
<u>EMPLOYEE BENEFITS</u>			
Cash Receipts:			
Ad Valorem Tax	\$ 43,165	473 -	473
Delinquent Tax	265	756 -	756
Motor Vehicle Tax	3,591	4,789 5,712	(923)
Recreational Vehicle Tax	44	94 116	(22)
Total Cash Receipts	<u>47,065</u>	<u>6,112</u> <u>5,596</u>	<u>284</u>
Expenditures:			
Payroll Taxes Remitted	5,247	4,891 7,000	(2,109)
KPERs Remittances	5,304	5,316 5,000	316
Unemployment Tax	184	- 1,200	(1,200)
Health Insurance	-	- 35,000	(35,000)
Total Expenditures	<u>10,735</u>	<u>10,207</u> <u>48,200</u>	<u>(37,993)</u>
Receipts Over (Under) Expenditures	36,330	(4,095)	
Unencumbered Cash, January 1	55,047	91,377	
Unencumbered Cash, December 31	<u>\$ 91,377</u>	<u>87,282</u>	

CITY OF MILFORD, KANSAS

SPECIAL PURPOSE FUNDS
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2012

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2011)

	2011 <u>Actual</u>	2012 <u>Actual</u>
<u>GAS SECURITY DEPOSIT*</u>		
Cash Receipts:		
Deposits Collected	\$ 13,825	4,500
Interest	15	6
Total Cash Receipts	<u>13,840</u>	<u>4,506</u>
Expenditures:		
Deposits Remitted	11,508	16,405
Interest Paid on Deposits	62	157
Total Expenditures	<u>11,570</u>	<u>16,562</u>
Receipts Over (Under) Expenditures	2,270	(12,056)
Unencumbered Cash, January 1	<u>15,465</u>	<u>17,735</u>
Unencumbered Cash, December 31	<u>\$ 17,735</u>	<u>5,679</u>
<u>SEWER RESERVE*</u>		
Cash Receipts	<u>\$ -</u>	<u>-</u>
Expenditures:	<u>-</u>	<u>10</u>
Receipts Over (Under) Expenditures	-	(10)
Unencumbered Cash, January 1	<u>3,806</u>	<u>3,806</u>
Unencumbered Cash, December 31	<u>\$ 3,806</u>	<u>3,796</u>
<u>WATER SECURITY DEPOSIT*</u>		
Cash Receipts	<u>\$ -</u>	<u>3,650</u>
Expenditures:		
Deposits Remitted	-	700
Interest Paid on Deposits	-	1
Total Expenditures	<u>-</u>	<u>701</u>
Receipts Over (Under) Expenditures	-	2,949
Unencumbered Cash, January 1	<u>-</u>	<u>-</u>
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>
Unencumbered Cash, December 31	<u>\$ -</u>	<u>2,949</u>

* Not Budgeted

CITY OF MILFORD, KANSAS

BOND AND INTEREST FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2012
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2011)

	2011 <u>Actual</u>	2012 <u>Actual</u>
<u>COMMUNITY BUILDING SINKING*</u>		
Cash Receipts	\$ -	-
Expenditures:	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, January 1	3,994	3,994
Unencumbered Cash, December 31	<u>\$ 3,994</u>	<u>3,994</u>

* Not Budgeted

CITY OF MILFORD, KANSAS

CAPITAL PROJECTS FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2012

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2011)

	2011	2012		Variance -
				Over
				(Under)
<u>CAPITAL IMPROVEMENTS FUND</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts:				
Ad Valorem Tax	\$ 2,775	17,377	17,563	(186)
Delinquent Tax	-	319	-	319
Motor Vehicle Tax	4,082	911	367	544
Recreational Vehicle Tax	55	17	7	10
Total Cash Receipts	<u>6,912</u>	<u>18,624</u>	<u>17,937</u>	<u>687</u>
Expenditures:				
Capital Improvements	-	-	100,000	(100,000)
Receipts Over (Under) Expenditures	6,912	18,624		
Unencumbered Cash, January 1	<u>147,906</u>	<u>154,818</u>		
Unencumbered Cash, December 31	<u>\$ 154,818</u>	<u>173,442</u>		

CITY OF MILFORD, KANSAS

BUSINESS FUNDS
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2012

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2011)

	2011	2012	Variance - Over (Under)
	<u>Actual</u>	<u>Actual</u> <u>Budget</u>	<u>(Under)</u>
<u>WATER UTILITY</u>			
Cash Receipts:			
Water Sales and Hookups	\$ 103,662	142,725 100,000	42,725
Expenditures:			
Personal Services	18,375	19,810 21,000	(1,190)
Contractual Services	22,358	58,057 10,000	48,057
Commodities	18,245	30,124 18,000	12,124
Capital Outlay	-	- 59,000	(59,000)
Water Improvement Lease Purchase	1,964	- -	-
Total Expenditures	<u>60,942</u>	<u>107,991</u> <u>108,000</u>	<u>(9)</u>
Receipts Over (Under) Expenditures	42,720	34,734	
Unencumbered Cash, January 1	<u>56,337</u>	<u>99,057</u>	
Unencumbered Cash, December 31	<u>\$ 99,057</u>	<u>133,791</u>	
<u>SEWER UTILITY</u>			
Cash Receipts:			
Sewer Maintenance Collections	\$ 63,855	65,695 60,000	5,695
Expenditures:			
Personal Services	13,916	14,738 15,500	(762)
Contractual Services	18,731	23,305 21,000	2,305
Commodities	4,643	6,505 15,000	(8,495)
Capital Outlay	-	- 35,000	(35,000)
Total Expenditures	<u>37,290</u>	<u>44,548</u> <u>86,500</u>	<u>(41,952)</u>
Receipts Over (Under) Expenditures	26,565	21,147	
Unencumbered Cash, January 1	<u>93,755</u>	<u>120,320</u>	
Unencumbered Cash, December 31	<u>\$ 120,320</u>	<u>141,467</u>	

CITY OF MILFORD, KANSAS

BUSINESS FUNDSSCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETREGULATORY BASISFOR THE YEAR ENDED DECEMBER 31, 2012(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2011)

	<u>2011</u>	<u>2012</u>		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Over (Under)
<u>GAS UTILITY</u>				
Cash Receipts:				
Sale of Gas, Hookups, and Turn-ons	\$ 167,582	72,377	180,000	(107,623)
Expenditures:				
Personal Services	15,859	5,323	13,500	(8,177)
Contractual Services	124,573	52,517	150,000	(97,483)
Commodities	4,466	4,226	2,500	1,726
Capital Outlay	-	-	15,500	(15,500)
Total Expenditures	144,898	62,066	181,500	(119,434)
Receipts Over (Under) Expenditures	22,684	10,311		
Unencumbered Cash, January 1	60,527	83,211		
Unencumbered Cash, December 31	\$ 83,211	93,522		

CITY OF MILFORD, KANSAS

AGENCY FUND
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2012

(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2011)

	2011 <u>Actual</u>	2012 <u>Actual</u>
<u>SALES TAX FUND*</u>		
Cash Receipts:		
Sales Tax Collected	\$ 3,141	1,697
Expenditures:		
Sales Tax Remitted	3,093	2,071
Receipts Over (Under) Expenditures	48	(374)
Unencumbered Cash, January 1	730	778
Unencumbered Cash, December 31	<u>\$ 778</u>	<u>404</u>

* Not Budgeted